E-Mail ALPERSRU E/97

Subj: DELAY IN PAYMENT OF 1997 COLA RATES

Ref: (a) ALDIST 271/96

(b) PPCINST M1000.2, Personnel and Pay Procedures Manual, Section 9-A-3, Overpayment Collection Process

Introduction

Changes in OUTCONUS and INCONUS COLA rates will not be reflected in members' 15 January 1997 pay.

As announced in reference (a) the following pay raise items will be included in members' 15 Jan 97 pay:

- o 3.0% Increase in Basic Pay
- o 3.0% Increase in BAS
- o 4.6% Increase in BAQ
- o New VHA rates
- o New OHA rates

OUTCONUS COLA

The new rates for OUTCONUS COLA were not received from Defense Manpower Data Center (DMDC) prior to the processing cutoff for the 15 Jan 97 payday. The new rates have now been received, and will be included in the 31 Jan 97 pay. Payments for OUTCONUS COLA will be retroactive to 1 Jan 97.

INCONUS COLA

PPC did not receive final INCONUS COLA data from DMDC until today (13 Jan 97). Late receipt of the data, combined with the large number of INCONUS COLA changes being effected, precluded the new rates from being included in the 15 Jan 97 pay. The new rates will be included in either the 31 Jan 97 or 14 Feb 97 pay. Payments for INCONUS COLA will be retroactive to 1 Jan 97.

1997 INCONUS COLA Changes

The following INCONUS COLA changes are effective 1 January 1997:

- o 8 New locations are designated as eligible for INCONUS
- 0 30 Locations have been removed from the list of eligible INCONUS DLA locales.
- o Rates have increased for 12 locales.
- O Rates have decreased for 5 locales.

Overpayments of INCONUS COLA

Members assigned to locales where the INCONUS COLA rate has decreased or in areas where INCONUS COLA is no longer payable, will be in an overpaid status for INCONUS COLA beginning 1 Jan 97 until the new rates are implemented in PMI S/JUMPS.

Collection of these overpayments will be in accordance with the table in reference (b).

New INCONUS COLA Locations 8 new locations have been designated as eligible for INCONUS COLA effective 1 January 97. These locations are:

LOCATION	COLA FACTOR	RANGE OF RATES
FRESNO, CA	1%	\$12 - \$45 MO
OAKLAND, CA	2%	\$24 - \$90 MO
SANTA CLARA COUNTY, CA	1%	\$12 - \$45 MO
JOLIET ARMY DEPOT, IL	1%	\$12 - \$45 MO
CAPE MAY, NJ	1%	\$12 - \$45 MO
TRENTON, NJ	1%	\$12 - \$45 MO
PHILADELPHIA, PA/CAMDEN, NJ	2%	\$24 - \$90 MO
NAS WILLOW GROVE, PA	2%	\$24 - \$90 MO

Locations No Longer Eligible for INCONUS COLA 30 locations have been removed from the list of eligible INCONUS COLA locales. These locations are:

State	Locations		
California	ATASCADERO, CAYUCOS, GROVER BEACH, HALCYON,		
	LOS OSOS, MORRO BAY, PASO ROBLES, SAN LUIS		
	OBISPO, and SAN MIGUEL		
Connecticut	KENT, ROSBURY, TERRYVILLE, THOMASTON,		
	TORRINGTON, and WASHINGTON DPO		
New York	ARLINGTON, BEACON, CLINTONDALE, HOPEWELL JCT,		
	HUDSON, HYDE PARK, KERHONKSON, KINGSTON,		
	LIBERTY, NAPANOCH, POUGHKEEPSI, RED HOOK,		
	RHINEBECK, ROME/GRIFFIS, and SAUGERTIES,		

INCONUS COLA Rate Changes INCONUS COLA rates have increased for 12 locales, and decreased for 5 locales. These locations are:

LOCATION	OLD COLA FACTOR	NEW COLA FACTOR
SAN FRANCISCO, CA	1%	2%
NEW HAVEN/FAIRFIELD, CT	8%	7%
CHICAGO, IL	3%	4%
BOSTON, MA	3%	4%
BROCKTON/S.WEYMOUTH, MA	5%	4%
CAPE COD, MA	1%	3%
COLRAIN, MA	1%	3%
ESSEX COUNTY, MA	4%	5%
GREENFIELD, MA	1%	3%
SUNDERLAND, MA	1%	3%
ATLANTIC CITY, NJ	3%	4%
PERTH AMBOY, NJ	1%	4%
N. NEW JERSEY, NJ	2%	1%
BUFFALO, NY	1%	2%
LONG ISLAND, NY	6%	7%
NEW YORK CITY, NY	6%	5%
WESTCHESTER COUNTY, NY	11%	10%

Questions:

Point of contact for questions is PPC Customer Service Team at 913-357-3540.

Released by

/s/

J. D. WILLIAMSON Executive Officer